KEY FACT DOCUMENT

BUSINESS BANKING PRODUCTS

Amãna Bank

MURABAHA FINANCING

Eligibility	Sri Lankan citizens aged 18 years and above
Product Description	Murabaha is a contract wherein the bank, upon request by the customer, purchases an asset from a 3rd party supplier/ vendor and resells it to the customer with an agreed mark up (cost plus profit) either against immediate payment or on a deferred payment basis.
Type of Murabaha	**1. Local Murabaha** If a Murabaha transaction is done locally with a customer for a short term, local Murabaha can be used. **2. Extended Murabaha** If a Murabaha transaction is done for more than one-year, extended Murabaha can be used. Term LC time is not affected for extended Murabaha. **3. Import Murabaha** Any imports-related transactions can be done through import Murabaha. **4. Musawamah** If the cost of a transaction can't be identified and only the selling price is disclosed, locally or internationally Musawamah can be used.
Product Features	**Murabaha is used for short/medium/long term finance for**: Raw material, Inventory, Equipment, Asset financing, Vehicle financing (Extended Murabaha), or any other asset to be purchased. • The commodity to be sold to the customer must be in a tangible form or ensured of its existence and the seller must have the ownership of the commodity. • The bank, the customer and the seller must mutually agree upon the price of the commodity. • The Murabaha contract cannot contain any conditions in the sale that is biased to one side, and which is not according to normal market practices. • Flexible repayment plans (short term / long term)

	• Murabaha sale based on deferred payment (Bai Muajjal) must ensure the followings to be in compliance with sharia. - The bank must specify the payment date to the customer. - Fixed period starts from the time of delivery of the commodity. - The fixed price can't be changed either for early or late settlement. - It is permissible for the bank to ask for a security to ensure repayment.
Required Documents	• Application for Murabaha financing • Pro-forma Invoice • Master Murabaha agreement • Agency agreement • Murabaha transaction document (binding himself to re-purchases the commodity/ asset from ABL at an agreed price) • Offer and acceptance letter Visit the nearest branch or download through the corporate website : https://www.amanabank.lk/application-downloads.html
Fees and Charges	Current fee and charges will be available in our corporate website : https://www.amanabank.lk/tariff-services.html
Terms and Conditions	Product information and terms and conditions are subject to change from time to time. Therefore, it is advisable to contact the branch nearest to you for the latest information and prevailing terms and conditions or visit our corporate website : https://www.amanabank.lk/pdf/application-downloads/general-business-conditions.pdf

TIJARAH FINANCING

Eligibility	Sri Lankan citizens aged 18 years and above
Product Description	Tijarah is a Sale & Agency based financing facility for customers who sell Finished Goods on credit basis. The facility will enable the Customers to sell their Finished Goods stock, meet their working capital requirements and enjoy the benefits of cash sales. Under this concept the Bank will purchase the finished goods of the Customers and will appoint the Customer as its agent to sell the same goods in the market generally on credit basis.
Type Of Tijarah	1. **Tijarah Financing for Local Sales** 2. **Tijarah Financing for Export**
Product Features	• A Finished Goods contract is permitted for Ready-to-Sale goods, either on Credit basis or on Cash basis and held in customer's inventory for longer period. • Price for Tijarah contract should be known at the conclusion of the contract. Price can be in the form of cash or tangible goods or the usufruct of an asset (either the subject matter or some other asset) for a particular duration. • The price of a Finished Goods contract is ideally paid on the spot with immediate delivery of goods. • The delivery of the subject matter may take place through constructive possession. At this point, the liability of the Customer in respect of the subject matter comes to an end and the liability of the Bank begins until its sale to the ultimate buyer. o After receipt of shipment documents against the shipment of goods, the financing will be converted from Pre-shipment to Post-shipment Tijarah Financing. o After receipt of Acceptance against the shipment of goods, the financing is converted from Post-shipment Tijarah Financing to Tijarah (Bank Risk Line) o Conversion of financing from Pre-shipment to post-shipment allows the customer to reutilize the Pre-shipment Financing. • Conversion of financing from Tijarah to Bank Risk Line helps the customer in creating cushion in Tijarah limit, thus allowing the customer to again avail disbursement.
Required Documents	• Finished Goods Facility Agreement - Written Offer - Goods Received Note (GRN) • Finished Goods Agency Agreement - Agency fee

	- Incentive fee • Guarantee / any other acetated securities. Visit the nearest branch or download through the corporate website : https://www.amanabank.lk/application-downloads.html
Fees and Charges	Current fee and charges will be available in our corporate website : https://www.amanabank.lk/tariff-services.html
Terms and Conditions	Product information and terms and conditions are subject to change from time to time. Therefore, it is advisable to contact the branch nearest to you for the latest information and prevailing terms and conditions or visit our corporate website : https://www.amanabank.lk/pdf/application-downloads/general-business-conditions.pdf

ISTISNA FINANCING

Eligibility	Sri Lankan citizens aged 18 years and above
Product Description	Istisna is a contract for the sale of specified items to be manufactured or constructed, with an obligation on the part of the manufacturer or builder (contractor) to deliver them to the customer upon completion.
Modes of Financing	• **Working Capital** – For manufacturing needs. • **Trade Finance** – For exports and as an Islamic alternative to export Usance bill purchase. • **Long-Term Finance** – For construction of buildings, plants, factories, and BOT (Build, Operate, Transfer) projects. • **Consumer Housing Finance** – For construction of apartments.
Product Features	An Istisna contract is permitted only for raw materials that can be transformed from their natural state by a manufacturing or construction process involving labour. The subject matter is always a thing, which needs to be manufactured. • If description of complete specification of the type, kind, quality and quantity of the subject matter to be produced have been given to the manufacturer and funds have also been disbursed for construction/ manufacturing then the manufacturer is bound to manufacture the Asset and cannot terminate the contract unilaterally. • The Bank (Mustasnay) is also bound to fulfil its obligation under the Istisna Agreement once the production/ manufacturing work has started. • It is a requirement that the price for an Istisna contract be known at the conclusion of the contract. Price can be in the form of cash or tangible goods or the usufruct of an asset (either the subject matter (BOT) or some other asset) for a particular duration. • The price of an Istisna contract may be paid in advance or deferred or paid in instalments within a certain period. The buyer can also connect payment of price with the stage of completion of the work. • The price of Istisna transactions may vary in accordance with variations in delivery date. It is permissible if it is agreed between the parties that in the case of delay in delivery, the price shall be reduced by a specified amount per day. • It is permissible to amend the contract price of an Istisna contract upwards or downwards, as a result of intervening contingencies (force majeure).

	• The ultimate purchaser cannot be regarded as the owner of the materials in the possession of the manufacturer for the purpose of producing the subject matter. • The time of delivery of goods does not necessarily have to be fixed in Istisna, however; a time may be agreed upon between the parties. • The delivery of the subject matter may take place through constructive possession. At this point, the liability of the manufacturer in respect of the subject matter comes to an end and the liability of the ultimate purchaser begins. • If the manufactured Asset is found to be discrepant at the time of delivery, this would be considered as an Event of Default • The parties may agree on a period during which the manufacturer will be liable for any defects or the maintenance of the subject matter.
Required Documents	• Finished Good Facility Agreement - Written Offer - Goods Received Note • Finished Good Agency Agreement - Agency Fee - Incentive Fee • Guarantee / other accepted securities Visit the nearest branch or download through the corporate website : https://www.amanabank.lk/application-downloads.html
Fees and Charges	Current fee and charges will be available in our corporate website : https://www.amanabank.lk/tariff-services.html
Terms and Conditions	Product information and terms and conditions are subject to change from time to time. Therefore, it is advisable to contact the branch nearest to you for the latest information and prevailing terms and conditions or visit our corporate website : https://www.amanabank.lk/pdf/application-downloads/general-business-conditions.pdf

Amana Asset Financing and Working Capital Financing

Eligibility	Sri Lankan citizens aged 18 years and above
Product Description	Both Amana Asset Financing and Working Capital Financing work under the Diminishing Musharaka principle. Under Diminishing Musharaka, The Bank and the Customer jointly purchase the Asset (i.e. property/machinery etc.) and then the bank leases its share to the customer. The customer promises to buy the equity share of the bank gradually until the title to the equity is completely transferred to him. Under Amana Working Capital Financing, Amana will invest in a suitable asset for the client to financially facilitate the customer to meet his working capital requirements. There will be a mandatory holding period of 12 months, during which the customer cannot purchase capital units and will only serve a monthly rental, hence, the ownership of the asset between Amana and the customer will remain unchanged.
Modes of Finance	**1. Diminishing Musharaka -** This is a general Diminishing Musharaka transaction **2. Working Capital Diminishing Musharaka -** This is a general Diminishing Musharaka financing where customer will be getting a grace period. **3. Diminishing Musharaka Vehicle / Machinery -** This financing method will be used when a Vehicle or Machinery is purchased jointly.
Product Features	• The Asset is registered in the name of the client and an equitable mortgage will be created over the asset in the name of the Bank. • The Bank mortgages the asset in order to protect its ownership. • Diminishing Musharaka can be formed only in tangible assets, (specified asset) and not the whole business. • The proportion of investment shares should be clearly identified in the contract.
Required Documents	• Diminishing Musharaka Application Form • Master Musharaka Agreement • Offer and Acceptance Letter • Bank's accepted collaterals. Visit the nearest branch or download through the corporate website : https://www.amanabank.lk/application-downloads.html
Fees and Charges	Current fee and charges will be available in our corporate website : https://www.amanabank.lk/tariff-services.html
Terms and Conditions	Product information and terms and conditions are subject to change from time to time. Therefore, it is advisable to contact the branch nearest to you for the latest information and prevailing terms and conditions or visit our corporate website : https://www.amanabank.lk/pdf/application-downloads/general-business-conditions.pdf

MUSHARAKA FINANCING

Eligibility	Sri Lankan citizens aged 18 years and above
Product Description	Musharaka is a partnership in which the partners join together with different contributions, work or obligation for the common objective of undertaking business and trade in accordance with the principles of Sharia. The contract of Musharaka can take place between two or more persons with the capital contributed by the partners/shareholders and the profit to be distributed among them according to the rates agreed upon by the shareholders.
Mode of Finance	1. **Local Musharaka** - If a customer wants to finance his entire business by Amana bank a Local Musharaka financing can be used. 2. **Transaction Musharaka** - Transaction Musharaka will only be used for a particular transaction of a company.
Product Features	• Both bank and customer will contribute capital towards Musharaka transaction. • The ratio of profit distribution must be agreed at the time of execution of the contract. • Bank will act as the sleeping partner and customer will be mainly working on the partnership. A Bank representative will be observing the activities of the business. o Any genuine losses occurred by the business will be borne by bank and customer according to capital contribution ratio. • If any losses occurred due to negligence of customer, the customer has to bear the total loss. • The ratio of profit for each partner must be determined in proportion to the actual profit earned by the project/ business and not in proportion to the capital invested. • Every partner has a right to terminate Musharaka at any time after giving his partner notice to this effect, whereby the Musharaka will come to an end. • In this case, if the assets of the Musharaka are in cash form, all of them will be distributed pro rata between the partners. But if the assets are not liquidated, the partners may agree either on the liquidation of the assets, or on their distribution or partition between the partners.
Required Documents	• Musharaka Application Form • Master Musharaka Agreement • Offer and Acceptance Letter • General security documents Visit the nearest branch or download through the corporate website : https://www.amanabank.lk/application-downloads.html
Fees and Charges	Current fee and charges will be available in our corporate website : https://www.amanabank.lk/tariff-services.html

Terms and Conditions	Product information and terms and conditions are subject to change from time to time. Therefore, it is advisable to contact the branch nearest to you for the latest information and prevailing terms and conditions or visit our corporate website : https://www.amanabank.lk/pdf/application-downloads/general-business-conditions.pdf

WAKALA FINANCING

Eligibility	Sri Lankan citizens aged 18 years and above
Product Description	In Wakala financing customer will be acting as agent in managing the Banks funds with an expected return.
Product Features	• Customer will be entitled for a Wakala fee for his/her service. • A competitive profit rate will be given to the bank.
Required Documents	• Application form • Request letter • Master wakala agreement • Offer and acceptance letter • General collaterals Visit the nearest branch or download through the corporate website: https://www.amanabank.lk/application-downloads.html
Fees and Charges	Current fee and charges will be available in our corporate website: https://www.amanabank.lk/tariff-services.html
Terms and Conditions	Product information and terms and conditions are subject to change from time to time. Therefore, it is advisable to contact the branch nearest to you for the latest information and prevailing terms and conditions or visit our corporate website: https://www.amanabank.lk/pdf/application-downloads/general-business-conditions.pdf

LEASING

Eligibility	Sri Lankan citizens aged 18 years and above
Product Description	A transaction where the bank buys the asset (vehicles, machine, equipment, etc.) desired by the customer and rents it to him with the promise to gift it at the end of the rental period.
Product Features	Product Concept : Ijara • Up to 100% of the value of the asset for 7 years can be financed. • Rentals will be due only upon commencement of usage of the asset. • Rentals will be charged only if the asset is in working condition.
Required Documents	• NIC/ Passport/ Driving License for individuals • Application form • Lease agreement • Takaful coverage • Business Registration Certificate for business establishments. • Last 06 months Bank Statements (If applicable). • Audited Financial Statements and Tax returns for past 03 years (If applicable). • Pro-forma Invoice/ Quotation for the asset from the supplier or agent/ Valuation Report • Evidence of current salary (Pay Slip) or other earnings. • Offer and acceptance letter. Visit the nearest branch or download through the corporate website: https://www.amanabank.lk/application-downloads.html
Fees and Charges	Current fee and charges will be available in our corporate website: https://www.amanabank.lk/tariff-services.html
Terms and Conditions	Product information and terms and conditions are subject to change from time to time. Therefore, it is advisable to contact the branch nearest to you for the latest information and prevailing terms and conditions or visit our corporate website: https://www.amanabank.lk/pdf/application-downloads/general-business-conditions.pdf

Feedback and Complaints	You can get in touch with our Customer Solutions Centre 24x7 to share your feedback and address your grievances, for which our team would ensure desired attention to help resolve your concerns. Customer Solution Centre Number :+94 11 7 756 756 Email : info@amana.lk | feedback@amana.lk Submit your inquiry on our website www.amanabank.lk However, if your expectations have not been met with, you can write or e-mail to: The Manager - Service Quality Assurance Amana Bank, No. 353, Galle Road, Colombo 03 or e-mail servicequality@amana.lk
	If your expectations haven't still been met with, the services of an independent Financial Ombudsman are made available for you. You may contact the office of the Financial Ombudsman as follows. Financial Ombudsman, No.1, Bethesda Place, Milagiriya, Colombo 04. Telephone: + 94 11 2595624 Fax: +94 11 2595625